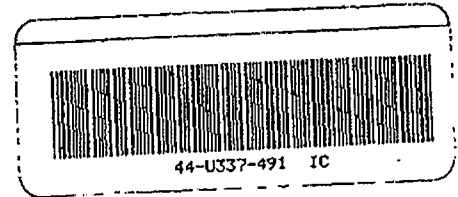


# EXHIBIT

# 7

Edvin C. Remund  
1365 East Harvard Avenue  
Salt Lake City, Utah 84105



February 10, 2006

Ms. Betty Reed  
State Farm Insurance Companies  
Greeley Operations Center  
P.O. Box 339409  
Greeley, Colorado 80633-9409

Re: Policy and Correspondence for  
Claim-Number 44-U337-491

Dear Ms. Reed,

I am in receipt of your letter dated January 27, 2006. I again disagree with your Premiss related to retaining walls under IV "Property Not Covered" in the policy.

The "Flood Chanel" was built to channel flood waters, not retain the land. The land, as you discuss, is not the issue but the walls of the flood channel protect the foundations of the building at issue at stages of flood condition. The damage is continuing. If, in fact, the "land" or earth was entirely removed from the walls outside the "flood channel," the footings supporting the structure would continue to stand.

The damage covered by the flood stage stream flow has damaged the footings because the flood channel walls built to protect them have failed.

Note that in item IV #12 called out "fences, retaining walls, seawalls, bulkheads, wharves, piers, bridges and docks." These are all "civil structures." The list is very limited as far as civil structures are concerned.

There are many other civil structures that are not mentioned therefor not eliminated from coverage. Namely:

1. Flood channel walls;
2. Revetments;
3. Piling;
4. Armor stone;
5. Abutments;
6. Headworks;
7. Etc., and others too numerous to list.



SFF 0122

February 10, 2006

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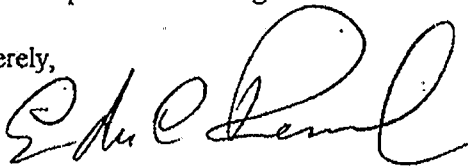
I note that the items noted in your Item III "Property covered," 1 through 6 are all items not related to "civil" items at all. Therefor, my conclusion is that the list in "IV Property Not Covered" excludes only the intended few civil items and therefore "flood channel walls" should be an item covered by the policy, as well as any other civil items (not related to my problem).

I note that in your letter (next to last paragraph), you wrote that the "policy language excludes land, and retaining walls, and flood channels are not covered. The policy does not indicate "flood channels" as part of the list of not covered items.

You are not making a "good faith" approach to the problem. I purchased a policy to take care of damage. State Farm is not making a "good faith effort" to compensate us for the losses incurred and continuing.

I trust you will take another good look and change your position, therefore, eliminating further delay and damage to a point that the main living area is affected, in the structure and significantly increase repairs and add legal cost factors.

Sincerely,

A handwritten signature in dark ink, appearing to read "Edwin C. Remund". The signature is fluid and cursive, with a large, stylized "E" and "R".

Edvin C. Remund  
Policy Holder  
1365 East Harvard Avenue  
Salt Lake City, Utah 84105